

UNITED STATES DISTRICT COURT

DISTRICT OF DELAWARE

ETHYPHARM S.A. FRANCE AND
ETHYPHARM S.A. SPAIN,

Plaintiffs,

v.

BENTLEY PHARMACEUTICALS, INC.,

Defendant.

Civil Action No. 04-1300-SLR

JOINT APPENDIX OF DEPOSITION TRANSCRIPTS

**VOLUME II
(PAGES A-310 – A-550)**

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Dated: August 25, 2006

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2 IN THE UNITED STATES DISTRICT COURT

3 FOR THE DISTRICT OF DELAWARE

4 C.A. No. 04-1300-SLR

5

6 ETHYPHARM S.A. FRANCE)

7 and ETHYPHARM S.A. SPAIN)

8 Plaintiffs)

9 vs.)

10 BENTLEY PHARMACEUTICALS,)

11 INC.,)

12 Defendant)

13

14

15 Deposition of Patrice Debregesas

16 Washington, D.C.

17 July 10, 2006

18

19

20 Reported by: Bonnie L. Russo

21 JOB NO. 6732

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1 APPEARANCES:	1 THE VIDEOGRAPHER: On the record		
2 For the Plaintiffs	2 with Tape Number 1 of the videotaped deposition		
3 DWIGHT P. BOSTWICK, Esq.	3 of Mr. Patrice Debreges taken by the defendant		
4 JONATHAN D. FINE, Esq.	4 in the matter of Ethypharm S.A. France and		
5 BAACH ROBINSON & LEWIS	5 Ethypharm S.A. Spain versus Bentley		
6 1201 F Street, NW	6 Pharmaceuticals, Incorporated in the United		
7 Suite 500	7 States District Court for the District of		
8 Washington, D.C. 20004	8 Delaware. Civil Action Number 04-1300-SLR.		
9 202-659-7865	9 This deposition is being held at the		
10	10 law offices of Baach Robinson & Lewis located		
11 For the Defendant	11 at 1201 F Street Northwest in Washington, D.C.		
12 CRAIG E. STEWART, Esq.	12 on July 10, 2006 at approximately 10:17 a.m.		
13 VERONICA C. ABREU, Esq.	13 My name is T.J. O'Toole representing		
14 EDWARDS ANGELL PALMER & DODGE, LLP	14 Esquire Deposition Services. I am the		
15 111 Huntington Avenue	15 certified legal video specialist. The court		
16 Boston, MA 02199	16 reporter is Bonnie Russo also representing		
17 617-239-0100	17 Esquire Deposition Services.		
18	18 Will counsel please introduce		
19 Also Present: Valerie Texier, Interpreter	19 themselves and indicate which parties they		
20 T.J. O'Toole, Videographer	20 represent.		
21	21 MR. BOSTWICK: My name is Dwight		

2 (Pages 2 to 5)

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<p>1 Bostwick and with me is Jonathan Fine and 2 together we are representing the plaintiffs in 3 this action Ethypharm and Ethypharm S.A. 4 MR. STEWART: I am Craig Stewart. 5 With me is Veronica Abreu and we are 6 representing the defendant in this case Bentley 7 Pharmaceuticals, Inc. 8 THE VIDEOGRAPHER: Thank you. Will 9 the interpreter please identify herself for the 10 record. 11 THE INTERPRETER: My name is Valerie 12 Texier and I am the French interpreter. 13 THE VIDEOGRAPHER: Thank you. Will 14 the court reporter please swear in the 15 interpreter. 16 VALERIE TEXIER, 17 the interpreter, after first being duly sworn 18 by the Notary Public, interpreted the 19 proceedings as follows: 20 THE VIDEOGRAPHER: Will the 21 interpreter please assist the court reporter in</p>	<p>Page 6</p> <p>1 experience in response to questions that I will 2 ask, you will need to give a verbal response, 3 yes or no or whatever the appropriate response 4 might be. 5 A. Okay. 6 Q. That's understood? 7 A. Yes. 8 Q. And I do understand that you speak 9 English, correct? 10 A. Yes. 11 Q. And you also read English, is that 12 correct, read written English? 13 A. Yes. 14 Q. Do you -- and during this proceeding 15 the translator will translate each question. 16 That's my understanding. 17 A. Okay. 18 Q. You are free as far as I am 19 concerned to respond either with the 20 translation or without the translation. It is 21 up to you.</p>
<p>1 swearing in the witness. 2 PATRICE DEBREGEAS, 3 was called for examination by counsel and, 4 after having been duly sworn by the Notary, was 5 examined and testified as follows: 6 EXAMINATION BY COUNSEL FOR DEFENDANT 7 BY MR. STEWART: 8 Q. Good morning, Mr. Debregeas. 9 A. Morning. 10 Q. As you heard, my name is Craig 11 Stewart and I represent the defendant in this 12 case Bentley Pharmaceuticals, Incorporated. 13 A. Okay. 14 Q. Have you had your deposition taken 15 before in an United States proceeding? 16 A. No. I have not been interrogated in 17 the U.S.A. 18 Q. Have you had a deposition taken in 19 any other country? 20 A. Yes, in France. 21 Q. As you probably know from your</p>	<p>Page 7</p> <p>Page 9</p> <p>1 A. (No response.) 2 Q. And during the course of the -- 3 MR. BOSTWICK: We need a 4 translation. 5 A. This is clear. 6 MR. STEWART: I understood that. 7 BY MR. STEWART: 8 Q. During the course of the day if you 9 need to take a break just let us know and we 10 will do so. 11 A. I will. 12 Q. The exception to that invitation is 13 by agreement -- well, not by agreement. The 14 exception of that is that we will not take a 15 break while a question is pending before you. 16 And you understand? 17 THE WITNESS: That's okay. 18 A. Of course I do understand. 19 Q. And by agreement during the breaks 20 -- during the breaks in our deposition you will 21 not talk to your counsel with respect to the</p>

3 (Pages 6 to 9)

<p>1 substance of your testimony. Do you 2 understand?</p> <p>3 A. It's okay.</p> <p>4 Q. Are you taking any medication that 5 might interfere with your ability to understand 6 or respond accurately to my questions?</p> <p>7 A. No. No.</p> <p>8 Q. By whom are you employed, Mr. 9 Debregesas?</p> <p>10 A. Nobody.</p> <p>11 Q. By whom were you last employed?</p> <p>12 A. Ethypharm.</p> <p>13 Q. And where is your employer located?</p> <p>14 MR. BOSTWICK: Objection.</p> <p>15 BY MR. STEWART:</p> <p>16 Q. Where was your employer located?</p> <p>17 A. In France.</p> <p>18 Q. When did you last leave your 19 employer?</p> <p>20 A. In November -- on November 10, 2005. 21 I worked as director from the general assembly.</p>	<p style="text-align: center;">Page 10</p> <p>1 THE WITNESS: Chairman of the board 2 and chief executive officer.</p> <p>3 A. I was the CEO of Ethypharm.</p> <p>4 THE WITNESS: And chairman of the 5 board.</p> <p>6 BY MR. STEWART:</p> <p>7 Q. What is the official name of the 8 corporation of which you were chairman of the 9 board and CEO?</p> <p>10 A. The simple name was Ethypharm and 11 that stands for society ethic of -- standing 12 for Society of Ethical Products.</p> <p>13 Q. Society of Ethical Products.</p> <p>14 A. It's not the public company. It 15 doesn't go on the market like at Wall Street, 16 you know.</p> <p>17 MR. STEWART: Thank you.</p> <p>18 BY MR. STEWART:</p> <p>19 Q. I would like to have marked as the 20 first exhibit a copy of the complaint in this 21 action.</p>
<p>1 Q. I'm sorry?</p> <p>2 THE INTERPRETER: General assembly.</p> <p>3 THE WITNESS: Shareholders' meeting.</p> <p>4 MR. BOSTWICK: Just to make a 5 comment there, Craig, for both of our benefit, 6 if you do hear something that you think is 7 being translated incorrectly I'm sure all of us 8 will appreciate if you jump in especially with 9 terms like shareholders and board of directors 10 and the like.</p> <p>11 THE WITNESS: That's exactly what we 12 did there.</p> <p>13 MR. BOSTWICK: We will appreciate if 14 you continue to do that. I'm sure Mr. Stewart 15 will, too.</p> <p>16 MR. STEWART: We had a similar issue 17 with respect to some of our Spanish witnesses.</p> <p>18 BY MR. STEWART:</p> <p>19 Q. What was your position with -- what 20 was your position with Ethypharm before 21 December 10th of 2005?</p>	<p style="text-align: center;">Page 11</p> <p>1 (Deposition Exhibit No. 1 was marked 2 for identification.)</p> <p>3 BY MR. STEWART:</p> <p>4 Q. Mr. Debregesas, you have before you a 5 copy of the complaint that has been filed in 6 this action that we have marked as Exhibit 1.</p> <p>7 Have you seen that document before?</p> <p>8 A. Yes.</p> <p>9 Q. The complaint lists Ethypharm S.A. 10 France and Ethypharm S.A. Spain as the 11 plaintiffs. Do you see that?</p> <p>12 A. Yes.</p> <p>13 Q. And were you -- when you say that 14 you were the chairman of the board and CEO of 15 Ethypharm, which Ethypharm were you chairman of 16 the board and CEO of?</p> <p>17 A. Sir, I was thinking about Ethypharm 18 S.A. France who is the main -- who is the 19 headquarters of the group Ethypharm.</p> <p>20 Q. Can we refer to that, to the English 21 equivalent as parent corporation?</p>

4 (Pages 10 to 13)

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<p style="text-align: right;">Page 14</p> <p>1 A. Yes.</p> <p>2 Q. During today's deposition, Mr. Debregeas, I will refer to Ethypharm France as the parent corporation and Ethypharm Spain as the Spanish subsidiary. Is that agreeable?</p> <p>6 A. Yes.</p> <p>7 Q. Now, Ethypharm France is a privately held corporation. It is not publicly traded; is that correct?</p> <p>10 A. Yes.</p> <p>11 Q. And are you a stockholder of Ethypharm France?</p> <p>13 A. Yes.</p> <p>14 Q. And what is your percentage ownership of Ethypharm France?</p> <p>16 A. 42.5 percent.</p> <p>17 Q. Are you a shareholder of any other Ethypharm company?</p> <p>19 A. I think I have got one action -- one share in the majority of the subsidiaries.</p> <p>21 Q. One share in all of the</p>	<p style="text-align: right;">Page 16</p> <p>1 Q. And as of today what are the 2 subsidiaries of Ethypharm France?</p> <p>3 A. There is many. There are many.</p> <p>4 Q. How many subsidiaries?</p> <p>5 A. Let's do it very simple. First, we 6 are in china. With two subsidiaries Ethypharm 7 Hong Kong and Shanghai Ethypharm.</p> <p>8 THE WITNESS: I can do it in 9 English.</p> <p>10 MR. STEWART: I think I have it.</p> <p>11 THE WITNESS: Ethypharm Hong Kong is 12 the holding company for Shanghai Ethypharm. 13 That's due to historical reason. When we set 14 up the company it was possible to do it in Hong 15 Kong. It was not really possible to do it 16 initially in Mainland China.</p> <p>17 A. Second subsidiary very important is 18 India. We are located in Bombay.</p> <p>19 THE WITNESS: I should say Mumbai 20 because the name has changed.</p> <p>21 A. We have a subsidiary in Canada.</p>
<p style="text-align: right;">Page 15</p> <p>1 subsidiaries?</p> <p>2 A. Yes.</p> <p>3 Q. And who owns the other shares of Ethypharm France?</p> <p>5 A. Today?</p> <p>6 Q. Yes.</p> <p>7 A. Mr. Gerard Leduc who is another shareholder. Mr. Gerard Leduc owns 42.5 percent of the shares also. And a Canadian from a pharmaceutical group owns 15 percent.</p> <p>11 THE INTERPRETER: A pharmaceutical group from Canada owns 15 percent.</p> <p>13 BY MR. STEWART:</p> <p>14 Q. Is the name of that pharmaceutical group Biovail?</p> <p>16 A. Yes.</p> <p>17 Q. When did Biovail acquire 15 percent?</p> <p>18 A. In April 2002.</p> <p>19 Q. When was Ethypharm France first organized?</p> <p>21 A. In July 1977.</p>	<p style="text-align: right;">Page 17</p> <p>1 Q. What is the name of that subsidiary?</p> <p>2 THE WITNESS: Ethypharm, Inc.</p> <p>3 A. We have a small subsidiary in Japan, 4 in Tokyo.</p> <p>5 Q. And the name of that subsidiary?</p> <p>6 THE WITNESS: Ethypharm KK. I don't remember the name.</p> <p>8 A. And we have many subsidiaries.</p> <p>9 THE WITNESS: Several.</p> <p>10 A. Several subsidiaries in Europe, in Spain, it's almost dead.</p> <p>12 Q. Is that Ethypharm S.A. Spain?</p> <p>13 A. Exact.</p> <p>14 Q. Does Ethypharm S.A. Spain conduct any business?</p> <p>16 A. Very few now. And we have two subsidiaries in Switzerland. It's a historical --</p> <p>19 THE REPORTER: Historical what?</p> <p>20 THE WITNESS: I just mention it because they exist. They have their name.</p>

5 (Pages 14 to 17)

<p style="text-align: right;">Page 18</p> <p>1 A. We have got one or two small 2 subsidiary in France. 3 Q. One or two? 4 THE WITNESS: Now we have two. 5 A. Two. One who is manufacturing 6 herbal medicine? 7 Q. Is that hair ball? 8 THE WITNESS: Herbal medicine. 9 Q. For cats? 10 THE INTERPRETER: Herbal. 11 THE WITNESS: You see why I need the 12 translator. 13 MR. STEWART: You need someone who 14 listens better I think. 15 THE WITNESS: No, no. Come on. 16 BY MR. STEWART: 17 Q. So herbal? 18 A. Herbal medicine, yes. And dietary 19 product. We have another subsidiary that is 20 producing non-pareil seeds. Small seeds that 21 are sugar and starch which we utilize to make</p>	<p style="text-align: right;">Page 20</p> <p>1 A. As a chairman of the board I direct 2 all the discussion in the board of directors. 3 I have to structure and to do the strategy, the 4 planning for the company. 5 Q. And -- 6 A. And as a CEO I do apply the 7 strategy. As director of the board actually I 8 am only one voice in everybody in the board, 9 but as CEO I am the one who do execute and 10 apply the decision from the board. 11 Q. When did you first join Ethypharm 12 France? 13 A. I did create the company with my 14 assistant Gerard Leduc. 15 Q. That was in July of 1977? 16 A. '77. 17 Q. And what was your position -- what 18 were your titles from the time you founded the 19 company until the time that you were no longer 20 chairman of the board? 21 A. Financials, searching.</p>
<p style="text-align: right;">Page 19</p> <p>1 the pellets. 2 Q. What is the title of Mr. Leduc? 3 A. He is chairman. 4 Q. So he is chairman of the board and 5 CEO of Ethypharm France? 6 A. Exact. 7 Q. Does he hold a title with respect to 8 Ethypharm Spain? 9 A. I don't know. 10 Q. Now, would you please describe your 11 -- your duties as -- your duties prior to your 12 termination as chairman and CEO of Ethypharm 13 France? I would ask that you start with the 14 description of your duties starting in about 15 1990. 16 MR. BOSTWICK: Let me object to the 17 form. I don't think he said he was terminated. 18 And in terms of length I just make a request 19 that if you have a longer question that we 20 break it up a little bit so we can get an 21 accurate translation.</p>	<p style="text-align: right;">Page 21</p> <p>1 Q. So from 19 -- is it fair to say from 2 1977 until November the 9th of 2005? 3 A. The 10th. 4 Q. Until the 10th you were chairman of 5 the board and CEO of the company? 6 A. Exact. Exact. 7 Q. And there was some discussion 8 earlier. Mr. Bostwick objected to my use of 9 the phrase terminated. 10 Were you terminated as chairman of 11 the board and CEO on November 10th of 2005? 12 THE WITNESS: Being revoked by the 13 shareholder meeting as a director I could not 14 be any more the chairman of the board. 15 Q. So is your answer to my question 16 yes? 17 MR. BOSTWICK: Objection. 18 THE WITNESS: Well, I have an issue 19 with the word terminated. What does it mean 20 exactly? 21 Q. Let me see if I can get to the</p>

6 (Pages 18 to 21)

<p style="text-align: right;">Page 22</p> <p>1 substance. Did you leave your position 2 voluntarily?</p> <p>3 THE WITNESS: No.</p> <p>4 Q. You were asked -- you were voted out 5 of office; is that correct?</p> <p>6 THE WITNESS: Exact. Exact.</p> <p>7 Q. Was any reason given for why you 8 were voted out of office?</p> <p>9 THE WITNESS: Yes.</p> <p>10 Q. What reason?</p> <p>11 A. We didn't agree on the --</p> <p>12 THE WITNESS: Terms.</p> <p>13 A. On terms for sale for the society.</p> <p>14 Q. Let me see if I understand. So 15 there was a disagreement on the terms for the 16 sale of the company?</p> <p>17 THE WITNESS: Right.</p> <p>18 Q. Was the company up for sale?</p> <p>19 A. Yes.</p> <p>20 Q. Has the company been sold?</p> <p>21 THE WITNESS: No.</p>	<p style="text-align: right;">Page 24</p> <p>1 this lawsuit?</p> <p>2 A. Yes.</p> <p>3 Q. When did Ethypharm decide to bring 4 this lawsuit against Bentley?</p> <p>5 MR. BOSTWICK: I'm going to object 6 in the sense that -- to the extent it invades 7 on attorney-client privilege that the case was 8 filed on the date on that first page of Exhibit 9 1.</p> <p>10 MR. STEWART: I understand that but 11 I am asking him when the decision was made to 12 file. If the only reason he knows is because 13 of conversation with counsel obviously -- I am 14 not looking for any -- I am not looking for any 15 communication, any knowledge you have as a 16 result of discussions with counsel with your 17 attorneys. However, I do want to know when 18 internally the decision was made to bring suit.</p> <p>19 A. At the end of 2002.</p> <p>20 Q. Why did Ethypharm France decide to 21 sue Bentley Pharmaceuticals?</p>
<p style="text-align: right;">Page 23</p> <p>1 Q. And who was the company -- what -- 2 who was the company going to be sold to?</p> <p>3 A. I don't know.</p> <p>4 Q. Referring to the complaint, you 5 understand that Ethypharm France and Ethypharm 6 Spain is suing Bentley Pharmaceuticals, Inc., 7 correct?</p> <p>8 THE WITNESS: Correct.</p> <p>9 Q. And did you provide information that 10 is contained in the complaint?</p> <p>11 THE WITNESS: Yes.</p> <p>12 Q. In the complaint there is a 13 reference to Laboratorios Belmac, S.A.; is 14 that correct?</p> <p>15 THE WITNESS: Yes.</p> <p>16 Q. Do you understand that 17 Laboratorios Belmac, S.A. is a subsidiary of 18 Bentley Pharmaceuticals, Inc.?</p> <p>19 A. Yes.</p> <p>20 Q. And do you understand that Belmac, 21 Laboratorios Belmac is not a defendant in</p>	<p style="text-align: right;">Page 25</p> <p>1 A. I think that everything is in this 2 complaint.</p> <p>3 Q. And I want to review some terms that 4 I am going to be using in my questions. You're 5 aware that the name of Bentley Pharmaceuticals, 6 Inc. was one time Belmac Corporation? Are you 7 aware of that?</p> <p>8 MR. STEWART: No, no. Did you say 9 Laboratory Belmac?</p> <p>10 THE INTERPRETER: Yes.</p> <p>11 MR. STEWART: No.</p> <p>12 THE INTERPRETER: I'm sorry. Which 13 one did you say?</p> <p>14 MR. STEWART: Let me repeat the 15 question.</p> <p>16 THE WITNESS: Bentley 17 Pharmaceuticals was before Belmac.</p> <p>18 MR. BOSTWICK: Let him ask the 19 question.</p> <p>20 BY MR. STEWART:</p> <p>21 Q. Are you aware that at one time the</p>

7 (Pages 22 to 25)

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<p style="text-align: right;">Page 26</p> <p>1 name of Bentley Pharmaceuticals, Inc. was 2 Belmac Corporation?</p> <p>3 A. Yes.</p> <p>4 Q. Can we agree that one or about 5 January 1, 1996 Belmac Corporation changed its 6 name to Bentley Pharmaceuticals, Inc. and that 7 is what is alleged in the complaint?</p> <p>8 A. Yes.</p> <p>9 Q. So as to avoid any confusion in my 10 questions, during the deposition I am going to 11 refer to the U.S. corporation as Bentley and, 12 the Spanish subsidiary of Bentley as 13 Laboritorious Belmac. Is that agreeable?</p> <p>14 THE WITNESS: That is okay.</p> <p>15 MR. BOSTWICK: Can we go off the 16 record for one minute.</p> <p>17 THE VIDEOGRAPHER: The time is 18 10:52:39. Off the record.</p> <p>19 (A short recess was taken.)</p> <p>20 THE VIDEOGRAPHER: On the record. 21 The time is 11:08:11.</p>	<p style="text-align: right;">Page 28</p> <p>1 fun. We have translation of English into 2 English.</p> <p>3 BY MR. STEWART:</p> <p>4 Q. What was the business of Ethypharm 5 Spain in 1991?</p> <p>6 A. I would say it was always the same 7 between subsidiary or the --</p> <p>8 THE WITNESS: Headquarters.</p> <p>9 A. Headquarters mainly developing 10 products, manufacturing products and trying to 11 license product.</p> <p>12 Q. To see if I understand your answer 13 correctly, is it your testimony that the 14 business of Ethypharm Spain was generally the 15 same as the business of the parent company, 16 that is to develop product, to manufacture the 17 product and to license the product?</p> <p>18 A. In 1991 Spain was a country with --</p> <p>19 THE WITNESS: Barriers.</p> <p>20 A. Custom barriers with all the other 21 country in Europe. Therefore, we needed to</p>
<p style="text-align: right;">Page 27</p> <p>1 BY MR. STEWART:</p> <p>2 Q. Mr. Debregeas, picking up briefly on 3 a question I asked you prior to the break in 4 the -- at the end of 2002 who at Ethypharm 5 France made the decision to sue Bentley 6 Pharmaceuticals, Inc.?</p> <p>7 A. We took this decision with my 8 associate after concerting with the board.</p> <p>9 Q. And your associate you are referring 10 to Mr. Leduc?</p> <p>11 A. Gerard Leduc, yes.</p> <p>12 Q. Now, in 1991 did Ethypharm France 13 have a subsidiary in Spain?</p> <p>14 A. I do believe, yes.</p> <p>15 Q. And who owned the -- was the 16 majority of the stock in the Ethypharm Spain 17 owned by Ethypharm France?</p> <p>18 THE WITNESS: Yes, the vast 19 majority.</p> <p>20 A. Yes, a big majority.</p> <p>21 MR. STEWART: This is going to be</p>	<p style="text-align: right;">Page 29</p> <p>1 have a society placed -- a company placed 2 locally over there. But actually the activity 3 of the society they were like directed from 4 France. So I was the CEO in France but in a 5 way I was also the CEO in Spain.</p> <p>6 Q. Well, in fact not only in a way were 7 you as the CEO in Spain, you were, in fact, the 8 CEO in -- I'm sorry -- that you were in fact 9 the CEO in Spain; is that right?</p> <p>10 A. Practical use I was the boss. I was 11 the boss in France with a subsidiary in Spain. 12 Administratively -- and administratively you 13 needed a president for Spain.</p> <p>14 Q. Yes.</p> <p>15 THE INTERPRETER: Do you want me to 16 explain?</p> <p>17 MR. STEWART: I would like you to 18 translate what he said.</p> <p>19 THE INTERPRETER: Okay. I did.</p> <p>20 MR. STEWART: Oh, you did?</p> <p>21 THE INTERPRETER: Yes.</p>

8 (Pages 26 to 29)

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JT-A-317

<p style="text-align: right;">Page 30</p> <p>1 MR. STEWART: I guess. So -- may I 2 have the answer back, please. 3 (The record was read as requested.) 4 BY MR. STEWART: 5 Q. Were you the president for Spain? 6 A. Yes. 7 Q. So in 1991 you were the CEO of 8 Ethypharm France and administratively the CEO 9 of Ethypharm Spain; is that right? 10 A. Absolutely. 11 Q. And you were -- practically you were 12 the boss in for Ethypharm Spain and the boss 13 for Ethypharm France, yes? 14 THE WITNESS: Yes. 15 Q. And is it fair to say that the 16 business of Ethypharm Spain was essentially the 17 business of Ethypharm France but being 18 conducted in Spain? 19 A. No, because actually all of the 20 important decision has to be taken -- taken in 21 Paris, France.</p>	<p style="text-align: right;">Page 32</p> <p>1 contact with headquarter from pharmaceutical 2 international companies. 3 MR. BOSTWICK: We are going to have 4 to stop according to the court reporter. 5 THE VIDEOGRAPHER: The time is 6 11:20:21. Off the record. 7 (A short recess was taken.) 8 9 10 11 12 13 14 15 16 17 18 19 20 21</p>
<p style="text-align: right;">Page 31</p> <p>1 Q. I understand that, but I am 2 interested, however, in the type of business, 3 the nature of the business that was being 4 conducted in Spain. 5 A. 1991 is the beginning actually we 6 are looking for customer. And we do know that 7 we cannot export from France to Spain so we 8 have to purchase locally so we have to find for 9 an associate that could produce for us and 10 could make the delivery to our customer. 11 Q. Okay. And what was the reason that 12 Ethypharm France could not manufacture directly 13 -- manufacture and sell directly to Spain? 14 A. The Spanish law. Actually we had 15 the same case for Brazil. 16 Q. In 1991 what business did Ethypharm 17 France want to -- what was the nature of the 18 business that Ethypharm France wanted its 19 Spanish subsidiary to do? 20 A. To find customers, mainly Spanish 21 customers, because actually we had already</p>	<p style="text-align: right;">Page 33</p> <p>1 ACKNOWLEDGMENT OF DEPONENT 2 I, PATRICE DEBREGEAS, do hereby acknowledge I 3 have read and examined the foregoing pages of 4 testimony, and the same is a true, correct and 5 complete transcription of the testimony given 6 by me, and any changes or corrections, if any, 7 appear in the attached errata sheet signed by 8 me. 9 _____ 10 Date PATRICE DEBREGEAS 11 12 13 14 15 16 17 18 19 20 21</p>

9 (Pages 30 to 33)

<p style="text-align: right;">Page 34</p> <p>1 CERTIFICATE OF NOTARY PUBLIC 2 I, Bonnie L. Russo, the officer before 3 whom the foregoing deposition was taken, do 4 hereby certify that the witness whose testimony 5 appears in the foregoing deposition was duly 6 sworn by me; that the testimony of said witness 7 was taken by me in shorthand and thereafter 8 reduced to computerized transcription under my 9 direction; that said deposition is a true 10 record of the testimony given by said witness; 11 that I am neither counsel for, related to, nor 12 employed by any of the parties to the action in 13 which this deposition was taken; and further, 14 that I am not a relative or employee of any 15 attorney or counsel employed by the parties 16 hereto, nor financially or otherwise interested 17 in the outcome of the action.</p> <p>18 _____ 19 Notary Public in and for 20 the District of Columbia 21 My Commission expires: May 14, 2010</p>	<p style="text-align: right;">Page 36</p> <p>1 DEPOSITION ERRATA SHEET CASE CAPTION: ETHYPHARM VS. BENTLEY 2 DEPONENT: PATRICE DEBREGEAS DEPOSITION DATE: JULY 10, 2006 3 I have read the entire transcript of my Deposition taken in the captioned matter or the 4 same has been read to me. I request that the changes noted on the following errata sheet be 5 entered upon the record for the reasons indicated. I have signed my name to the Errata 6 Sheet and the appropriate Certificate and authorize you to attach both to the original 7 transcript. PAGE/LINE CHANGE REASON 8 _____ 9 _____ 10 _____ 11 _____ 12 _____ 13 _____ 14 _____ 15 _____ 16 _____ 17 _____ 18 _____ SIGNATURE _____ DATE _____ 19 PATRICE DEBREGEAS 20 21</p>
<p>1 Mr. Dwight Bostwick 1201 F Street, NW 2 Suite 500 Washington, DC 2004 3 4 5 IN RE: Ethypharm vs. Bentley 6 7 Dear Mr. Bostwick: 8 Enclosed please find your copy of the 9 deposition of PATRICE DEBREGEAS along with the original signature page. As agreed, you will 10 be responsible for contacting the witness regarding reading and signing the transcript. 11 Within 30 days of receipt, please forward 12 errata sheet and original signature page signed to opposing counsel. 13 If you would like to change this procedure or 14 if you have any questions, please do not hesitate to call. 15 Thank you. 16 Yours, 17 18 19 Bonnie L. Russo 20 Reporter/Notary 21</p>	<p style="text-align: right;">Page 35</p>

10 (Pages 34 to 36)

ESQUIRE DEPOSITION SERVICES
1-866-619-3925

JT-A-319

<p>A</p> <p>ability 10:5 Abreu 3:13 6:5 Absolutely 30:10 accurate 19:21 accurately 10:6 acknowledge 33:2 ACKNOWLEDG... 33:1 acquire 15:17 action 5:8 6:3 12:21 13:6 14:19 34:12 34:17 activity 29:2 administratively 29:12,12 30:8 agree 22:11 26:4 agreeable 14:5 26:13 agreed 35:9 agreement 9:13,13 9:19 alleged 26:7 ANGELL 3:14 answer 21:15 28:12 30:2 appear 33:7 APPEARANCES 3:1 appears 34:5 apply 20:6,10 appreciate 11:8,13 appropriate 8:3 36:6 approximately 5:12 April 15:18 asked 22:4 27:3 asking 24:11 assembly 10:21 11:2 assist 6:21 assistant 20:14 associate 27:8,9 31:9 attach 36:6 attached 33:7 attorney 34:15 attorneys 24:17 attorney-client 24:7 authorize 36:6 Avenue 3:15 avoid 26:9 aware 25:5,7,21 a.m 2:7 5:12</p> <hr/> <p>B</p> <p>Baach 2:13 3:5 5:10 back 30:2</p>	<p>ball 18:7 barriers 28:19,20 beginning 31:5 believe 27:14 Belmac 23:13,17,20 23:21 25:6,9,17 26:2,5,13 benefit 11:5 Bentley 1:10 5:5 6:6 7:12 23:6,18 24:4,21 25:5,16 26:1,6,11,12 27:5 35:5 36:1 better 18:14 big 27:20 Biovail 15:15,17 bit 19:20 board 11:9 12:1,5,9 13:14,16 19:4 20:1,2,7,8,10,20 21:5,11,14 27:8 Bombay 16:18 Bonnie 1:20 2:20 5:16 34:2 35:19 boss 29:10,11 30:12 30:12 Boston 3:16 Bostwick 3:3 5:21 6:1 9:3 10:14 11:4,13 19:16 21:8,17 24:5 25:18 26:15 32:3 35:1,7 Brazil 31:15 break 9:9,15 19:20 27:3 breaks 9:19,20 briefly 27:2 bring 24:3,18 business 17:15 28:4 28:14,15 30:16,17 31:2,3,16,18</p> <hr/> <p>C</p> <p>C 3:13 4:1 call 35:14 called 7:3 Canada 15:12 16:21 Canadian 15:9 CAPTION 36:1 captioned 36:3 case 6:6 7:12 24:7 31:15 36:1 cats 18:9 CEO 12:3,9 13:14 13:16 19:5,12 20:6,9 21:5,11</p>	<p>29:4,5,7,8,9 30:7 30:8 Certificate 34:1 36:6 certified 5:15 certify 34:4 chairman 12:1,4,8 13:14,15 19:3,4 19:12 20:1,20 21:4,10,14 change 35:13 36:7 changed 16:20 26:5 changes 33:6 36:4 chief 12:2 china 16:6,16 Civil 5:8 clear 9:5 Columbia 34:20 Come 18:15 comment 11:5 Commission 34:21 communication 24:15 companies 32:2 company 12:14 14:18 16:12,14 20:4,13,19 21:5 22:16,18,20 23:1 23:2 28:15 29:1 complaint 4:7 12:20 13:5,9 23:4,10,12 25:2 26:7 complete 33:5 computerized 34:8 concerned 8:19 concerting 27:8 conduct 17:14 conducted 30:18 31:4 confusion 26:9 contact 32:1 contacting 35:10 contained 23:10 continue 11:14 conversation 24:13 copy 12:20 13:5 35:8 corporation 12:8 13:21 14:4,8 25:6 26:2,5,11 correct 8:9,12 14:9 22:5 23:7,8,14 33:4 corrections 33:6 correctly 28:13 counsel 5:18 7:3,6 9:21 24:13,16 34:11,15 35:12</p>	<p>country 7:19 28:18 28:21 course 9:2,8,18 court 1:2 5:7,15 6:14,21 32:4 Craig 3:12 6:4 7:10 11:5 create 20:13 Custom 28:20 customer 31:6,10 customers 31:20,21 C.A 1:4</p> <hr/> <p>D</p> <p>D 3:4 date 24:8 33:10 36:2,18 day 9:8 days 35:11 DC 35:2 dead 17:11 Dear 35:7 Debregeas 1:15 2:10 4:2 5:3 7:2,8 10:9 13:4 14:3 27:2 33:2,10 35:9 36:2,19 December 11:21 decide 24:3,20 decision 20:10 24:11,18 27:5,7 30:20 defendant 1:12 3:11 5:3 6:6 7:6 7:11 23:21 Delaware 1:3 5:8 delivery 31:10 DEPONENT 33:1 36:2 deposition 1:15 2:10 5:2,9,14,17 7:14,18 9:20 13:1 14:2 26:10 34:3,5 34:9,13 35:9 36:1 36:2,3 describe 19:10 description 19:14 develop 28:16 developing 28:9 dietary 18:18 direct 20:1 directed 29:3 direction 34:9 directly 31:12,13 director 10:21 20:7 21:13 directors 11:9 20:2 disagreement 22:15</p> <hr/> <p>E</p> <p>E 3:12 4:1 earlier 21:8 EDWARDS 3:14 either 8:19 employed 10:8,11 34:12,15 employee 34:14 employer 10:13,16 10:19 Enclosed 35:8 English 8:9,11,12 13:20 16:9 28:1,2 entered 36:5 entire 36:3 equivalent 13:21 errata 33:7 35:12 36:1,4,5 especially 11:8 Esq 3:3,4,12,13 Esquire 5:14,17 essentially 30:16 ethic 12:11 Ethical 12:12,13 Ethypharm 1:6,7 5:4,5 6:3,3 10:12 11:20 12:3,10 13:9,10,15,15,17 13:19 14:3,4,7,12 14:15,18 15:4,19 16:2,6,7,11,12 17:2,6,12,14 19:5 19:8,12 20:11 23:5,5 24:3,20 27:4,12,16,17 28:4,14 30:8,9,12 30:13,16,17 31:12 31:16,18 35:5 36:1 Europe 17:10 28:21 everybody 20:8 Exact 17:13 19:6 21:6,6 22:6,6</p>
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Patrice Debreges - July 10, 2006

Page 1

UNITED STATES DISTRICT COURT

FOR THE DISTRICT OF DELAWARE

ETHYPHARM S.A. FRANCE and :
-----x

ETHYPHARM S.A. SPAIN, :
-----x

Plaintiffs, : Civil Action Number

vs. : 04-1300

BENTLEY PHARMACEUTICALS, :
-----x

INC., :
-----x

Defendant. :
-----x

VIDEO DEPOSITION OF PATRICE DEBREGEAS

VOLUME 2

Washington, DC

Monday, July 10, 2006

REPORTED BY:

ERIN AVERY

Patrice Debregesas - July 10, 2006

Page 2	Page 5
1 Continuing deposition of PATRICE DEBREGEAS, 2 taken in progress, pursuant to notice of deposition, 3 on Monday, July 10, 2006, in Washington, DC, at the 4 law offices of Baach Robinson & Lewis PLLC, 1201 F 5 Street Northwest, at 12:05 p.m., before ERIN AVERY, 6 a Notary Public within and for the District of 7 Columbia, when were present on behalf of the 8 respective parties: 9	1 PROCEEDINGS 2 THE VIDEOGRAPHER: On the record. Our 3 court reporter now is named Erin Avery. The time is 4 12:05:15. 5 Whereupon,
10 CRAIG STEWART, ESQ. 11 VERONICA C. ABREU, ESQ. 12 Edwards Angell Palmer & Dodge LLP 13 111 Huntington Avenue 14 Boston, Massachusetts 02199 15 617-239-0100 16 On behalf of Defendant 17 18 19 20 21 22 --continued--	6 PATRICE DEBREGEAS 7 continued testimony, having been previously duly 8 sworn, as follows: 9 EXAMINATION (Continued) 10 BY MR. STEWART: 11 Q Mr. Debregeas, we're back on the record, 12 and let me pick up, if I can, where I think I left 13 off, and I was asking you questions with respect to 14 the business of Ethypharm Spain. 15 Do you remember that general topic? 16 A Okay. 17 Q Yes, all right. And I have some questions 18 now, which are going to pertain to Ethypharm's 19 interactions with a company called Rimafar, and I'm 20 going to show you a document. 21 First, I'm going to have the stenographer 22 mark this as the next exhibit, which is Exhibit 2,
1 APPEARANCES (Continued): 2 3 DWIGHT P. BOSTICK, ESQ. 4 JONATHAN D. FINE, ESQ. 5 BRUCE R. GRACE, ESQ. 6 Baach Robinson & Lewis PLLC 7 1201 F Street Northwest, Suite 500 8 Washington, DC 20004 9 202-833-8900 10 On behalf of Plaintiffs 11 12 13 ALSO PRESENT: Valerie Texier, interpreter 14 T.J. O'Toole, videographer 15 16 17 18 19 20 21 22	Page 3 1 and it appears to be a fax dated February of 1991. 2 It looks like the 8th of February, 1991 from a Mr. 3 De Basilio to you. 4 (Debregeas Exhibit 2 identified.) 5 BY MR. STEWART: 6 Q Could you take just a moment to look at 7 the document we've marked as Exhibit 2, please? 8 (Witness reviewed the document.) 9 A Okay. 10 Q And do you recognize this as a fax that 11 came from Mr. De Basilio on or about February the 12 8th of 1991? 13 A Yes. 14 Q In this -- first, who is Mr. De Basilio? 15 A He is the general manager of Ethypharm 16 Spain. 17 Q When did he become the general manager of 18 Ethypharm Spain? 19 A I don't remember. 20 Q Can you give me an estimate, having in 21 mind that the document we're looking at is in 22 February of 1991?

2 (Pages 2 to 5)

202-347-3700

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JT-A-325

Patrice Debregesas - July 10, 2006
 Ethypharm S.A. France and Ethypharm S.A. Spain v. Bentley Pharmaceuticals, Inc.

<p style="text-align: right;">Page 6</p> <p>1 A Maybe one or two years before this 2 document. 3 Q Are you able to tell me when Ethypharm 4 Spain started doing business? 5 A No, no, sorry. Since November, I don't 6 have access anymore to the information of this 7 company. 8 Q And the company you're referring to is 9 Ethypharm France; is that right? 10 A Yes. 11 Q Just to establish a general frame of 12 reference, as of 1991, what is your best 13 recollection as to how long Ethypharm Spain had been 14 doing business? 15 A I have no idea at all. 16 Q Let me test that a little bit. Can you 17 give me an estimate as to whether Ethypharm Spain 18 had been in business, say, three years before 19 this -- before 1991, this letter, this fax? 20 MR. BOSTWICK: I'm going to object as 21 asked and answered. 22 BY MR. STEWART:</p>	<p style="text-align: right;">Page 8</p> <p>1 Q What is that used for? 2 A That's a European product, it's for 3 oxygenation of the brain, marketing concept. 4 Q It has nothing to do with cats, I take it? 5 A No. And there was a product that we were 6 developing and that was very important. And the 7 name is omeprazole. The international name, and you 8 spell it o-m-e-p-r-a-z-o-l-e, treatment of duodenal 9 and gastric ulcers. And I can add a full range of 10 the products developed by Ethypharm. 11 Q The full range of products developed by 12 Ethypharm France? 13 A Yeah. 14 Q Is it fair to say that in at least 1991, 15 Ethypharm was -- Ethypharm France was looking to 16 obtain a manufacturing facility for its products in 17 Spain? 18 A Yes, absolutely. 19 Q Referring to Exhibit 2 before you there. 20 First, Mr. De Basilio is writing in English; is that 21 correct? 22 A Yes.</p>
<p style="text-align: right;">Page 7</p> <p>1 Q You can answer. 2 A We were doing some business with Spain 3 before creating -- before founding Ethypharm Spain. 4 And when business got developed, we decided to 5 create Ethypharm Spain. Because of the development 6 of the business, we were obliged to have local 7 production. 8 Q What was the product that Ethypharm France 9 had developed that it needed to manufacture in 10 Spain? 11 A I think theophylline. 12 Q Would you spell that, please? 13 A Theophylline, that's a respiratory 14 product. Nitroglycerin. 15 Q Let's take that just a moment. 16 Theophylline, I don't know that product myself, and 17 I'm listening to you, and it sounds like it's 18 T-h-e-o-p-h-i-l-i-n-e? 19 A Right. Nitroglycerin, you know what this 20 is? 21 Q Yes, okay. 22 A Vincamine. V-i-n-c-a-m-i-n-e.</p>	<p style="text-align: right;">Page 9</p> <p>1 Q And tell me why Mr. De Basilio was writing 2 in English as opposed to, for example, Spanish or 3 French? 4 A I'd say that two or three centuries ago, 5 you would write it in French. Good answer? 6 Q It's a political comment is what it is? 7 A No, cultural. 8 Q Explain, if you would, for the record, why 9 this letter is in English as opposed to the native 10 language of either -- well, I don't know what Mr. De 11 Basilio's language is, but yours, I take it, is 12 French. 13 A Dr. De Basilio is Spanish. His English is 14 probably better than his French in terms of written 15 language. Third point, my partner doesn't speak nor 16 read Spanish. So English is a common language. 17 Q And by your partner, you're referring to 18 to -- 19 A Gerard Leduc, and others too in the 20 company. 21 Q Do you read Spanish? 22 A Yes.</p>

3 (Pages 6 to 9)

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<p style="text-align: right;">Page 10</p> <p>1 Q And do you speak Spanish?</p> <p>2 A No.</p> <p>3 Q And in Mr. De Basilio's fax to you and to</p> <p>4 Mr. Leduc, he references a meeting with a Mr. Perez</p> <p>5 De Ayala. Do you see that at the beginning?</p> <p>6 MR. STEWART: I'm asking him to refer that</p> <p>7 that is so.</p> <p>8 THE WITNESS: Yes.</p> <p>9 BY MR. STEWART:</p> <p>10 Q Who is Perez De Ayala?</p> <p>11 A For me, he was the general manager of --</p> <p>12 how was it called at that time, Rimafar.</p> <p>13 Q And what did you understand was the</p> <p>14 business of Rimafar?</p> <p>15 A Rimafar had bought a pharmaceutical</p> <p>16 manufacturer that belonged before to Natermann.</p> <p>17 Q How do we spell that?</p> <p>18 A N-a-t-e-r-m-a-n-n, double N at the end.</p> <p>19 Natermann was bought before by Rhone-Poulenc, and</p> <p>20 Rhone-Poulenc didn't have use of this manufacturer</p> <p>21 anymore. And so they had sold it to a group of two</p> <p>22 or three people so they composed the name of</p>	<p style="text-align: right;">Page 12</p> <p>1 for 1000 capsules, which was a fair price for</p> <p>2 Rimafar. And Adolfo De Basilio told Mr. Perez De</p> <p>3 Ayala that while business is tough, and he should</p> <p>4 not expect to make enormous margins on his</p> <p>5 production. Usual.</p> <p>6 Q And so Rimafar offered the possibility of</p> <p>7 a manufacturing facility for Ethypharm France's</p> <p>8 pharmaceutical products. Is that fair?</p> <p>9 A Yes.</p> <p>10 Q Now, as of February of 1991, Rimafar was</p> <p>11 not -- was not owned by Bentley or Belmac</p> <p>12 Corporation; is that correct?</p> <p>13 A Yes.</p> <p>14 MR. STEWART: Let's have marked for the</p> <p>15 continuity of the record, two exhibits. The next</p> <p>16 exhibit is a fax from Mr. De Basilio dated June 20</p> <p>17 of 1991. And as Exhibit 4 a fax, again, from Mr. De</p> <p>18 Basilio dated -- it looks like November the 14th, I</p> <p>19 believe, of 1991.</p> <p>20 (Debregeas Exhibits 3 and 4 identified.)</p> <p>21 BY MR. STEWART:</p> <p>22 Q Let me know when you've finished reviewing</p>
<p style="text-align: right;">Page 11</p> <p>1 Rimafar, R for Richard.</p> <p>2 Q Now, so the facility that was purchased by</p> <p>3 the company that became or that was known as Rimafar</p> <p>4 was a manufacturing facility; is that right?</p> <p>5 A Yes.</p> <p>6 Q And in paragraph 6 of Mr. De Basilio's</p> <p>7 fax, he says that I let him know that we will accept</p> <p>8 prices of capsule filling around, and then it's 9/10</p> <p>9 FF something for R margins are very low, and I told</p> <p>10 him not to expect too interesting prices in</p> <p>11 manufacturing.</p> <p>12 Do you see that in paragraph 6?</p> <p>13 A Uh-huh.</p> <p>14 Q Could you explain your understanding as to</p> <p>15 what Mr. De Basilio was saying in this last sentence</p> <p>16 that I just read?</p> <p>17 A Mr. De Basilio was trying to see if there</p> <p>18 was a possibility of agreement on prices for</p> <p>19 contract manufacturing, and he cites the example of</p> <p>20 capsule filling, that means filling the capsule with</p> <p>21 the active ingredient, filling the capsule. And he</p> <p>22 says we will accept a price of 9 to 10 French francs</p>	<p style="text-align: right;">Page 13</p> <p>1 the Exhibit 3.</p> <p>2 A Okay, Exhibit 3. This one is 4, okay.</p> <p>3 Exhibit 3.</p> <p>4 Q And for the record, I'll note that Exhibit</p> <p>5 3 consists of a -- the fax from Mr. De Basilio to</p> <p>6 Mr. Debregeas and then it also has attached to it a</p> <p>7 fax of -- a fax from -- a fax to Dr. De Basilio from</p> <p>8 Rimafar, which I will represent was signed by Mr. De</p> <p>9 Ayala. Okay?</p> <p>10 A Translation of the Spanish text is not --</p> <p>11 Q Is not accurate?</p> <p>12 A I can't do it.</p> <p>13 Q The question -- referring to the Exhibit</p> <p>14 3, Mr. De Basilio is saying, "Please find a copy of</p> <p>15 the fax sent by Rimafar saying we can go ahead"?</p> <p>16 A We can or we cannot go ahead. I'm sorry.</p> <p>17 Q From the language that I read in Exhibit</p> <p>18 3, the sentence says, "please find a copy of the fax</p> <p>19 sent by Rimafar saying we can go ahead."</p> <p>20 A What is the question?</p> <p>21 Q My question -- I wasn't sure where we were</p> <p>22 in the process. My question is, what did you</p>

4 (Pages 10 to 13)

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<p style="text-align: right;">Page 14</p> <p>1 understand Mr. De Basilio to mean by this sentence 2 and -- let me stop there. 3 A Well, that the -- I make my own 4 translation of the fax from Mr. Perez De Ayala. He 5 means in agreement with the telephone conversation 6 of yesterday, I confirm our proposal to fix the 7 capsule filling machine and the coding bands that 8 you talked about, in order to fix that, to install 9 that in the Rimafar plant in order to proceed to 10 production of micropellets.</p> <p>11 Q And is it fair to say, then, that 12 Ethypharm France was going to supply the machinery 13 to be installed at the Rimafar facility for 14 manufacturing micropellets?</p> <p>15 A Yes.</p> <p>16 Q And as of June of 1991, did Rimafar have 17 an agreement?</p> <p>18 A Precisely on the date I'm not so sure, but 19 there was an agreement that was signed.</p> <p>20 Q Would that agreement have been signed 21 between Ethypharm -- well, I think we can -- never 22 mind. Well, sorry, let me finish.</p>	<p style="text-align: right;">Page 16</p> <p>1 document?</p> <p>2 Q We're talking about -- the document that I 3 have in mind is the fax of Mr. De Basilio to Mr. 4 Leduc to you and to Mr. Oury attaching a copy of the 5 letter sent to Mr. Robins.</p> <p>6 THE INTERPRETER: What is attached?</p> <p>7 MR. STEWART: A letter from Mr. De Basilio 8 to a Mr. Mark Robins.</p> <p>9 (Witness reviewed the document.)</p> <p>10 THE WITNESS: Okay, go ahead.</p> <p>11 BY MR. STEWART:</p> <p>12 Q The question I have is, by the end of 13 November of 1991, had Ethypharm installed machinery 14 in the Rimafar plant?</p> <p>15 A Maybe, possible.</p> <p>16 Q Do you have a memory as to when production 17 actually began at the Rimafar plant?</p> <p>18 A No.</p> <p>19 Q Where was the Rimafar plant located?</p> <p>20 A In Zaragoza.</p> <p>21 Q And at some point in early 1992, was 22 Rimafar purchased by Bentley, or, as it was then</p>
<p style="text-align: right;">Page 15</p> <p>1 To your knowledge, was the agreement 2 signed with Ethypharm France or Ethypharm Spain?</p> <p>3 A I'm going to reply that it makes no 4 difference in the sense that Ethypharm Spain is 5 listed only for a necessary reason, so it's a -- the 6 decision was taken by me. And that means money, you 7 know. So installing in Rimafar's plant machines 8 that were belonging, that were old, by Ethypharm. 9 This concept of the group. Maybe it's misleading 10 for you.</p> <p>11 Q No, I think I understand that Ethypharm 12 was installing its machinery in Rimafar's facility 13 to manufacture Ethypharm's product and Ethypharm 14 Spain existed as an administrative necessity that it 15 was Ethypharm France's business. Is that fair?</p> <p>16 A Yes.</p> <p>17 Q Now, let me -- let's go to Exhibit 4. And 18 my only purpose in identifying Exhibit 4 is to 19 understand when the machinery would be installed in 20 the facilities at Rimafar and when manufacturing 21 would begin.</p> <p>22 A Are we really talking about the same</p>	<p style="text-align: right;">Page 17</p> <p>1 known, Belmac Corporation?</p> <p>2 A I don't really remember the date. There 3 was a change of -- on a sheet, a change of name. 4 Initially, Mr. Perez De Ayala, according to my 5 memory, was still in command until a certain time. 6 Then he was fired, and then I saw Mr. Murphy 7 arriving. But these are dates. I'm sorry.</p> <p>8 Q That's all right.</p> <p>9 A It's 15 years ago, and that was my -- not 10 my only topic, you know.</p> <p>11 Q I understand. I understand. It's more 12 the sequence that I'm interested in right now.</p> <p>13 My question is, is it fair to say that 14 Ethypharm developed or had a business deal with 15 Rimafar for the manufacture of Ethypharm 16 pharmaceutical products, and then Rimafar was 17 acquired by Bentley?</p> <p>18 A I think it's fair to say that. We had an 19 agreement with Rimafar so that they would act as a 20 kind of contract manufacturing, that means putting 21 at our disposal the plant, some services. We were 22 installing the machines needed for our technology,</p>

5 (Pages 14 to 17)

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<p style="text-align: right;">Page 18</p> <p>1 for our product. We were transferring our know-how 2 technology procedures, or what makes the know-how, 3 teaching the people, helping them sometimes in their 4 hiring of people in order to be sure that we're 5 hiring the requested and competent type of people. 6 Q And those activities were conducted with 7 respect to the people at Rimafar, at least in the 8 first instance; is that right? 9 A Yes. And Rimafar was in two locations, 10 the plant in Zaragoza and the office in Madrid. 11 Q When did you -- when did you first learn 12 that Bentley had acquired Rimafar? 13 A I don't remember. I remember that there 14 was a French MD, Jean-Claude. I can't remember his 15 name. Came to see me in Houdan and told me about 16 that, but when, I don't know. 17 Q You say Houdan. Was that the city where 18 Ethypharm France had its headquarters? 19 A Yes. 20 Q And I'm not familiar. Is that a suburb of 21 Paris? Is it near Paris? 22 A It's 30 kilometers from Paris, and that's</p>	<p style="text-align: right;">Page 20</p> <p>1 Saint-Cloud. Is that fair? 2 A When we were in Houdan, we had a 3 production facility plus the offices. Then the 4 company growing. We do bigger offices outside 5 closer to the center of Paris, and we eventually 6 opened new production facilities in France. 7 Q Now, going back to Ethypharm France and 8 Rimafar -- let me have marked the next exhibit, 9 please of March 26, it looks like, of 1992. It 10 looks like that. Yeah, that's it. 11 Mr. Debregeas, I'm going to show you a 12 draft of what appears to be a contract with the 13 handwritten date of March 26th of 1992. 14 MR. STEWART: Can we have that marked, 15 please, as Exhibit 5. 16 (Debregeas Exhibit 5 identified.) 17 BY MR. STEWART: 18 Q I'm not going to be asking you questions 19 regarding the terms of the agreement. You're 20 welcome to study the document if you think you need 21 to, but I would propose that we take a moment to 22 familiarize yourself generally with the document.</p>
<p style="text-align: right;">Page 19</p> <p>1 where the legal office, the official headquarter 2 of -- for Ethypharm. 3 Q What was in Saint-Cloud? 4 A At the time that was nothing in 5 Saint-Cloud. Then we opened our offices in 6 Saint-Cloud. And in Saint-Cloud, we had an 7 administrative, medical and commercial. And the 8 headquarters are now in Saint-Cloud, but the 9 registered office, I don't know if you call that. 10 The registered office, the registered office is 11 still in Houdan. 12 Q When did the administrative offices become 13 located in Saint-Cloud? 14 A I should know. I should remember. I 15 don't. I don't take care of the decoration of 16 these. You know, time it's -- well -- 17 Q I understand. 18 A We do business in Asia and the Middle 19 East, and the notion of time is not the same there. 20 Q But the sequence was first the 21 administrative offices were in Houdan and then 22 later, sometime later, they became located in</p>	<p style="text-align: right;">Page 21</p> <p>1 I'll ask the question. And obviously, if you need 2 to study the document, you certainly may do so. 3 (Witness reviewed the document.) 4 A Okay. 5 Q Did you have any involvement in the 6 drafting of what is referred to as Exhibit -- let me 7 withdraw that question. Withdraw that question. 8 Can you tell me what Exhibit 5 is? 9 A This is -- this document is manufacturing 10 contract, which is intended to organize the 11 corporation between Rimafar and Ethypharm. And this 12 is clearly explained in the preambulo. 13 Q There is, attached to the -- to Exhibit 5, 14 a translation, and I think I'm going to adopt the 15 practice that Mr. Bostwick had that the rough 16 translation -- as far as assistance in the 17 deposition, but we are not going to include that as 18 a formal part of the exhibit. We both want to 19 reserve the right to have a more precise 20 translation, if necessary. 21 A Okay. 22 Q Now, you'll notice that in the beginning</p>

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<p style="text-align: right;">Page 22</p> <p>1 of the contract under the title "Contracto De 2 Fabricacion," that the agreement appears to be 3 between Ethypharm S.A. with an address in Madrid and 4 Laboratorios Belmac S.A. with an address in Madrid. 5 Do you see that? 6 A Okay. 7 Q Did you have any involvement in the 8 preparation of this draft agreement? 9 A Yes. 10 Q What involvement did you have? 11 A There are a few points which are 12 important, apart from the price conditions, quality 13 assurance, QA, quality assurance, the 14 confidentiality and the responsibilities. I must 15 say that a big number of the points I had stressed 16 were mentioned. 17 Q And who were you dealing with? 18 MR. BOSTWICK: Objection; vague. 19 BY MR. STEWART: 20 Q Who were you dealing with with respect to 21 Laboratorios Belmac? 22 A Mr. Perez De Ayala.</p>	<p style="text-align: right;">Page 24</p> <p>1 you first became aware that the U.S. Belmac 2 Corporation had purchased Rimafar. 3 A For me it was -- this is a detail. Let me 4 explain why. 5 Because I had somebody in front of me who 6 was having the power, who was Mr. Perez De Ayala, 7 who by the way was a difficult man. 8 Q Was a difficult man? 9 A Yes. But maybe he thinks the same of me. 10 Then there was the boss that arrived from USA, Mr. 11 Murphy, who was -- I must say I welcomed his arrival 12 because he was so much similar to me. I mean 13 scientific education, business education. We were 14 speaking the same language, although there was 15 cultural differences. 16 And I had somebody to talk to, somebody 17 who was able to take decisions, to say yes, no. And 18 someone who understood what a service agreement 19 means. We had a lot in common, and I would say that 20 Mr. Perez De Ayala, for me, was the old Spain. That 21 means very different country. 22 With Jim Murphy, I had somebody we could</p>
<p style="text-align: right;">Page 23</p> <p>1 Q And who did you understand Mr. Perez De 2 Ayala to be? 3 A For me, he was the boss. 4 Q Was the boss of Laboratorios Belmac? 5 A Yes. 6 Q Can you tell me when you first learned 7 that Rimafar had been acquired by Bentley? 8 A I think that your question is not precise 9 enough in the sense that Belmac Corporation bought 10 Rimafar and to change the name between Belmac 11 Corporation and Bentley, I think, happened much 12 later. 13 Q So let me be clear about that. I was -- 14 you will recall at the beginning of the deposition I 15 was trying to simplify our communication on this 16 point. 17 My question is -- and you're absolutely 18 right, that Belmac Corporation changed its name to 19 Bentley in January of 1996. That's my 20 understanding. 21 A Uh-huh. 22 Q What I'm concerned with now is the -- when</p>	<p style="text-align: right;">Page 25</p> <p>1 talk, talk on the phone, decide, say, yes and no. 2 And the fact that the name changed from Belmac 3 Corporation to Bentley, but it looked more 4 Anglo-Saxon. Bentley didn't mean a lot for me, you 5 know. 6 Q All right. My question, though, is 7 directed to the change from Rimafar to Belmac. And 8 let me just explain. You've told us that there was 9 a business deal in place between Rimafar and 10 Ethypharm before Belmac Corporation purchased 11 Rimafar; correct? 12 A For me there was simply a change in name. 13 There was no change in the facts. 14 Q Was my statement -- 15 MR. BOSTWICK: My I object just on the 16 last few questions have been extremely long, and I 17 think it's very difficult for the translator to get 18 the message across. And obviously, Mr. Debregeas is 19 understanding a number of things in English, but 20 it's less in the nature of an objection than a 21 suggestion that if you can, maybe, stop in the 22 middle of the questions or something.</p>

7 (Pages 22 to 25)

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<p style="text-align: right;">Page 26</p> <p>1 BY MR. STEWART:</p> <p>2 Q Can we agree that Ethypharm had a business 3 deal with Rimafar before Rimafar was acquired by 4 Belmac, the U.S. Belmac corporation?</p> <p>5 A That's not an easy question because I know 6 that this contract has been discussed, negotiated. 7 I remember that not all the points were agreed 8 between Rimafar or Belmac. I don't remember if it 9 was Belmac at that time and Ethypharm. I know that 10 we went through a certain number of articles of 11 which we agreed, we agreed, we agreed, and there was 12 some articles with which we did not agree.</p> <p>13 It's not that we did not agree. They were 14 countersigned by Perez De Ayala, by me, Perez De 15 Ayala, by me, and some articles were agreed only by 16 me and not by him.</p> <p>17 So was it -- what the company called still 18 Rimafar or already Belmac, I don't know. I don't 19 remember. For me, it was not relevant, you know. 20 We were talking about contract manufacturing. So is 21 it owned by one company or another company? That's 22 not very relevant.</p>	<p style="text-align: right;">Page 28</p> <p>1 A We may have the answer in the Exhibit 4.</p> <p>2 I'm not --</p> <p>3 Q Exhibit 4, I think, if you look --</p> <p>4 A No. I see the translation. "The machine 5 was purchased in full and will be ready in our 6 facilities in Zaragoza by the end of this month." 7 And it's dated -- that's Exhibit 4. It's dated 8 November '91, so around this date, yes.</p> <p>9 Q Okay, all right. Let me show you another 10 document, and this one is dated November 10, 1992, a 11 fax from Mr. De Basilio to you with an attached 12 manifiesta.</p> <p>13 (Debregeas Exhibit 6 identified.)</p> <p>14 (Witness reviewed the document.)</p> <p>15 THE WITNESS: Okay.</p> <p>16 BY MR. STEWART:</p> <p>17 Q Okay. Do you recognize the declaration, 18 if I can put it that way, of Mr. Ayala that is 19 attached to Mr. De Basilio's letter -- Mr. De 20 Basilio's fax, excuse me.</p> <p>21 MR. BOSTWICK: Objection; vague.</p> <p>22 THE WITNESS: When you say objection, what</p>
<p style="text-align: right;">Page 27</p> <p>1 Q You were dealing with Perez De Ayala in 2 1991; correct?</p> <p>3 A Yes, yes.</p> <p>4 Q And Perez De Ayala was the executive 5 director of Rimafar in 1991; correct?</p> <p>6 A Yes.</p> <p>7 Q And then in 1992, you continued to deal 8 with Perez De Ayala; correct?</p> <p>9 A Yes.</p> <p>10 MR. BOSTWICK: Objection; vague.</p> <p>11 BY MR. STEWART:</p> <p>12 Q And that in 1992 you were dealing with 13 Perez De Ayala with respect to the draft of a 14 manufacturing agreement; is that correct?</p> <p>15 A Yes, but maybe we were already producing. 16 I don't remember exactly, but maybe.</p> <p>17 Q Well, certainly we saw that -- well, let 18 me withdraw that.</p> <p>19 Is it your memory that the machinery from 20 Ethypharm had been installed in Rimafar's -- then 21 Rimafar's facilities in Zaragoza in November of 22 1991?</p>	<p style="text-align: right;">Page 29</p> <p>1 should I do? Tell me. I don't understand.</p> <p>2 MR. BOSTWICK: That is a procedural matter 3 between lawyers. If I object, it is because I have 4 found something legally objectionable about the 5 question, but it -- unless I instruct you not to 6 answer specifically, if you understand the question, 7 you may answer it. If you need further 8 clarification, you may ask for it.</p> <p>9 Is that a fair statement, Craig?</p> <p>10 MR. STEWART: Yes.</p> <p>11 THE WITNESS: Thank you.</p> <p>12 BY MR. STEWART:</p> <p>13 Q So my question is, have you -- the 14 question was, do you recognize the document which is 15 attached to Dr. De Basilio's fax to you?</p> <p>16 A I don't have any specific souvenir of this 17 document, but I read it quickly and this is 18 corresponding to something which is logical that the 19 evidence that we have installed in the plant of 20 Rimafar or Belmac -- Belmac in that case, in 21 Zaragoza, machinery. We have done -- let's say, not 22 really construction work, but it's a parting the</p>

8 (Pages 26 to 29)

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<p style="text-align: right;">Page 30</p> <p>1 rooms and things like that. And this is our 2 property. And it means that in case we do not reach 3 an agreement with Mr. Perez De Ayala, we may take 4 this out.</p> <p>5 Q Now --</p> <p>6 A But I did not remember this document 7 itself.</p> <p>8 Q I understand. But do you have -- yeah, 9 okay.</p> <p>10 You told us earlier that you met Mr. 11 Murphy after Mr. Ayala was fired. Is that your 12 memory?</p> <p>13 A I don't remember if I said that he was 14 fired, but let's say I knew he was no more in charge 15 and that Jim Murphy was in charge.</p> <p>16 Q Was that the first time that you met Mr. 17 Murphy?</p> <p>18 I'm sorry, I didn't mean meet. Is that 19 the first time that you had communication with Mr. 20 Murphy?</p> <p>21 MR. BOSTWICK: Objection; vague.</p> <p>22 THE WITNESS: Well, it was</p>	<p style="text-align: right;">Page 32</p> <p>1 Q I'm referring to what became Bentley. 2 A For me, quote, on the radar screen, 3 nothing appeared about Belmac Corporation, you know, 4 and honestly, it was not my problem, you know, I was 5 leaving this thing that was essential, very 6 important for us.</p> <p>7 Q Is it correct to say that you were dealing 8 with Ayala, and Belmac Corporation, U.S. Belmac 9 Corporation at that time was not an issue?</p> <p>10 MR. BOSTWICK: Objection; vague.</p> <p>11 THE WITNESS: Yes.</p> <p>12 MR. STEWART: Let's go off the record just 13 for a moment, okay?</p> <p>14 THE VIDEOGRAPHER: This ends tape number 1. 15 of the Debreges deposition. The time is 13:13:56. 16 Off the record.</p> <p>17 (Whereupon, at 1:13 p.m., the deposition 18 was recessed, to be reconvened at 2:15 p.m. this 19 same day.)</p> <p>20</p> <p>21</p> <p>22</p>
<p style="text-align: right;">Page 31</p> <p>1 contemporaneous. One boss was leaving and the new 2 boss was arriving. So I don't know if I got 3 information from Mr. Murphy or from somebody else 4 that Mr. Ayala was no longer in the company. I must 5 say I was quite happy to see someone.</p> <p>6 BY MR. STEWART:</p> <p>7 Q The first time that you had communications 8 with Mr. Murphy was around the time that Mr. Ayala 9 was leaving. Is that fair?</p> <p>10 A Yes, I think so, yes.</p> <p>11 Q Yes, okay. Now, in October of 1992, which 12 is -- as far as I can tell, that's the date of Mr. 13 De Basilio's fax to you and Mr. Leduc -- what did 14 you understand to be the business of the U.S. Belmac 15 Corporation?</p> <p>16 MR. BOSTWICK: I'm sorry, is that Belmac 17 Corporation in the U.S.? Did she translate?</p> <p>18 MR. STEWART: Did you say Belmac 19 Corporation in the U.S.?</p> <p>20 MR. BOSTWICK: You want to clarify what 21 you're talking about.</p> <p>22 BY MR. STEWART:</p>	<p style="text-align: right;">Page 33</p> <p>1 AFTERNOON SESSION (2:15 p.m.)</p> <p>2 Whereupon,</p> <p>3 PATRICE DEBREGES</p> <p>4 resumed the stand and, having been previously duly 5 sworn, was examined and testified further as 6 follows:</p> <p>7 THE VIDEOGRAPHER: On the record with tape 8 number 2 of the testimony of Mr. Patrice Debreges 9 in the matter of Ethypharm versus Bentley. The date 10 is July 10, 2006. The time is 14:22:35.</p> <p>11 EXAMINATION (Continued)</p> <p>12 BY MR. STEWART:</p> <p>13 Q Good afternoon, Mr. Debreges.</p> <p>14 A Good afternoon.</p> <p>15 Q When we left off, we had talked about the 16 declaration from Angel Perez De Ayala, and I believe 17 I misspoke when I identified that as a document 18 dated November the 10th of '92. It was October of 19 '92.</p> <p>20 Do you have that document in front of you, 21 sir, Exhibit 6?</p> <p>22 A Uh-huh.</p>

9 (Pages 30 to 33)

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<p style="text-align: right;">Page 34</p> <p>1 Q And that was October of '92; correct? 2 A Correct. 3 Q Thank you. 4 Now, Mr. Ayala identifies himself in 5 Exhibit 6 as representing Laboratorios Belmac S.A. 6 Do you see that? 7 A Yes. 8 Q And we've agreed that Laboratorios Belmac 9 S.A. was and is a subsidiary of a company called 10 Belmac Corporation, later Bentley Pharmaceuticals; 11 correct? 12 A Correct. 13 Q Before -- let me withdraw that. 14 At the end of 1992, to your understanding, 15 did Belmac Corporation, later to become Bentley 16 Pharmaceuticals -- 17 MR. STEWART: Do you want to translate? 18 BY MR. STEWART: 19 Q -- own any machinery capable of producing 20 micropellets or microgranules? 21 A To my knowledge, they had no such 22 equipment. Only equipment they had to make pellets</p>	<p style="text-align: right;">Page 36</p> <p>1 preparations, but I must say that this is one of the 2 numerous issues of this contract to -- and this one 3 is not signed, so it may be a draft, or it may be an 4 internal document. 5 BY MR. STEWART: 6 Q I believe you're correct. I believe it is 7 a draft, but you said you did take part in the -- 8 did you take part in the preparation of the 9 document? 10 MR. BOSTWICK: Objection; asked and 11 answered. 12 THE WITNESS: I think we already looked at 13 this point, and I think I already replied. It's 14 very important, the relationship, protection of the 15 know-how, protection of the investment, 16 responsibility, quality assurance. 17 BY MR. STEWART: 18 Q We did look at a document that was quite 19 similar to this one. This is a later document. I 20 understand from your answer that your answer is the 21 same. You were involved in those particular 22 details.</p>
<p style="text-align: right;">Page 35</p> <p>1 and to fill capsules were equipment that we had 2 brought in the Zaragoza facility. 3 Q In the Zaragoza facility, originally owned 4 by Rimafar? 5 A Yes. 6 Q To your knowledge, did Belmac Corporation, 7 later Bentley pharmaceutical, have any experience in 8 the manufacture of microgranules or micropellets? 9 A No. 10 Q To your understanding, was Belmac 11 Corporation, later Bentley Pharmaceuticals, in the 12 business of manufacturing microgranules or pellets 13 or filling capsules? 14 A No. 15 Q Let me mark as the next exhibit a document 16 dated January 12th of 1993. 17 (Debregeas Exhibit 7 identified.) 18 BY MR. STEWART: 19 Q Mr. Debregesas, did you have any 20 involvement in the preparation of Exhibit 7? 21 MR. BOSTWICK: Objection; vague. 22 THE WITNESS: Well, I took part in this</p>	<p style="text-align: right;">Page 37</p> <p>1 MR. BOSTWICK: Objection; vague, "those 2 details." 3 BY MR. STEWART: 4 Q What was your answer, sir? 5 A I think I already said yes, I was 6 involved. I had to protect a certain number of 7 points in this relationship with Rimafar, which 8 became Belmac, and this document is not the final 9 one anyway. 10 Q In this particular document -- document 11 Exhibit 7 -- first, let me withdraw that. Is this a 12 document that was prepared by Ethypharm? 13 A I think it was a joint work. 14 Q All right. The parties to the contract 15 were Ethypharm S.A. in Madrid and Spain and 16 Laboratorios Belmac; is that correct? 17 MR. BOSTWICK: Objection. It's not a 18 contract. It's a draft. I think he said that. 19 THE WITNESS: It's Ethypharm S.A. and 20 Laboratorios Belmac S.A. And like I said, it's an 21 intermediate document, and I know that there was one 22 that was signed to a certain number of articles that</p>

10 (Pages 34 to 37)

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<p style="text-align: right;">Page 38</p> <p>1 were agreed upon. So this is a second draft. It 2 doesn't mean that sequentially the second draft. 3 You know, it's going back and forth.</p> <p>4 BY MR. STEWART:</p> <p>5 Q I notice that in this draft there is no 6 mention of Ethypharm France. There is no mention of 7 Ethypharm France; is that correct?</p> <p>8 A I think it's correct. We're in Spain.</p> <p>9 Q And there also is no mention of Belmac 10 Corporation, or as it later was known, Bentley; is 11 that correct?</p> <p>12 A At that time, yes.</p> <p>13 Q At that time, what was the reason that you 14 did not include as parties to the contract Ethypharm 15 France or Bentley Pharmaceuticals, or as it was then 16 known, Belmac Corporation?</p> <p>17 A This is a draft. This is not a final 18 document. I don't think it's really binding. There 19 was no need to put too many stories in that.</p> <p>20 Q Are you aware of a document, a contract 21 that was signed by Ethypharm and was signed by 22 Laboratorios Belmac that concerned the manufacture</p>	<p style="text-align: right;">Page 40</p> <p>1 Q That's the U.S. corporation? 2 A The U.S. corporation.</p> <p>3 Q What contacts did you have with Mr. 4 Jean-Francois Rossignol?</p> <p>5 A I had known him several years ago, he was 6 an executive of the pharmaceutical industry, a 7 medical doctor. When was it exactly? I don't 8 remember, but he came to see me at least twice in 9 Houdan.</p> <p>10 Q What was the -- what -- what did you 11 discuss at your visits in Houdan?</p> <p>12 A Very vague souvenir. I remember he was 13 driving a Ferrari, a red Ferrari, which showed that 14 he was quite well off.</p> <p>15 Q Did you talk about the manufacture of 16 omeprazole?</p> <p>17 A I'm not sure. Maybe, maybe, but the 18 omeprazole was a protected product, protected by 19 patents, owned by Astra company of Sweden.</p> <p>20 Q Do you have any memory about what you 21 talked about with Mr. Rossignol?</p> <p>22 THE INTERPRETER: Can you repeat, please?</p>
<p style="text-align: right;">Page 39</p> <p>1 of omeprazole as well as other pharmaceutical 2 products?</p> <p>3 A According to me, there are many fragments 4 of contracts that have been signed during the years. 5 For example, a document comparable to this one was 6 signed up to Chapter 8, and there were other 7 documents that were signed concerning other aspects. 8 So it has been a story lasting during years.</p> <p>9 Q In the period of 1993 through 1994, did 10 you personally consider including Belmac 11 Corporation, the U.S. corporation or Bentley, as it 12 later was known, as a party to a contract with 13 Ethypharm for the manufacture of omeprazole?</p> <p>14 A Until the arrival of Mr. Jim Murphy, we 15 had very few contacts with Belmac Corporation. The 16 only contact I had was with Dr. Jean-Francois 17 Rossignol, who came to me. At that time, he was 18 buying company Chimos in France, C-h-i-m-o-s.</p> <p>19 Q Who did you understand Dr. Jean-Francois 20 Rossignol to work for?</p> <p>21 A According to me, he was working for Belmac 22 Corporation, maybe owning it.</p>	<p style="text-align: right;">Page 41</p> <p>1 BY MR. STEWART:</p> <p>2 Q Do you have any memory of the subjects 3 that you discussed with Mr. Rossignol?</p> <p>4 A Well, he talked. He said a few words 5 about Rimafar becoming Belmac, but it's not going to 6 change anything.</p> <p>7 Q And when did you meet with Mr. Rossignol?</p> <p>8 A Don't know.</p> <p>9 Q You also talked to Dr. Ayala, or I'm 10 sorry, Mr. Ayala, did you not?</p> <p>11 A Yes.</p> <p>12 Q And Mr. Ayala is the person who is listed 13 as the representative of Laboratorios Belmac on 14 Exhibit 7; correct?</p> <p>15 A Yes.</p> <p>16 Q Did Mr. Ayala ever tell you that he had 17 authority to act for Belmac Corporation, the company 18 that later became Bentley?</p> <p>19 A With the requested organization and 20 powers. And we are not on a signed document yet.</p> <p>21 So I think we should go to the signed document to 22 see how his name appears and what his title and</p>

11 (Pages 38 to 41)

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<p>1 responsibility is.</p> <p>2 Q And we certainly will do that with respect 3 to -- with Mr. Ayala, but what I want to know is 4 whether Mr. Ayala ever in discussions told you that 5 he was authorized to act for Belmac Corporation that 6 later became Bentley?</p> <p>7 A 13, 14 years ago, you know. It's not long 8 time. No souvenir of what he said. We are not used 9 to putting doubt according to the people who discuss 10 with us. He was officially the general manager of 11 Laboratorios Rimafar and then Laboratorios Belmac. 12 He was known in Spain as being the responsible. 13 (Discussion off the record.)</p> <p>14 BY MR. STEWART:</p> <p>15 Q Do you have a memory of Mr. Ayala ever 16 telling you that he was authorized to act on behalf 17 of the U.S. Belmac Corporation that later became 18 Bentley?</p> <p>19 A No recollection.</p> <p>20 Q You used the term "souvenir" in a couple 21 of your answers?</p> <p>22 A It's a French word.</p>	<p>Page 42</p> <p>1 production, storing, packaging, putting technical 2 people at the disposal of Ethypharm such as Dr. 3 Mateo Gasca. This name I remember very well, a 4 worker for production. So business as usual.</p> <p>5 Q I notice that a Mr. Igonet has signed with 6 regard to Ethypharm. Who is Mr. Igonet?</p> <p>7 A That was he was the chief financial 8 officer of Ethypharm.</p> <p>9 Q Ethypharm France?</p> <p>10 A Group, yes.</p> <p>11 Q And there was a signature -- there's a 12 signature by Dr. De Basilio, and he was general 13 manager of Ethypharm Spain; correct?</p> <p>14 A Uh-huh.</p> <p>15 Q Yes?</p> <p>16 A Correct.</p> <p>17 Q And then Mr. Perez De Ayala signed for 18 Laboratorios Belmac; correct?</p> <p>19 A Yes. You see the ambiguity, Ethypharm, 20 Ethypharm.</p> <p>21 Q Is there any reference in this document to 22 Belmac Corporation, that is the U.S. corporation</p>
<p>1 Q I understand. By that, did you mean to 2 say recollection?</p> <p>3 A Exactly. Thank you. I thought -- I 4 thought it was acceptable in the U.S.</p> <p>5 MR. STEWART: Let me have this document, 6 March 4, 1993. Can we have marked, please, as the 7 next exhibit, a document which is dated 4 March 1993 8 bearing signature lines for Ethypharm and 9 Laboratorios Belmac.</p> <p>10 (Debregeas Exhibit 8 identified.)</p> <p>11 (Witness reviewed the document.)</p> <p>12 BY MR. STEWART:</p> <p>13 Q I have just a few questions regarding this 14 document. So whenever you feel that you've looked 15 at it to understand the general terms, I propose 16 that I ask my question.</p> <p>17 A Okay.</p> <p>18 Q Can you tell us what the two documents are 19 that make up Exhibit 8?</p> <p>20 A I would say it's more related to 21 accounting, Laboratorios Belmac invoicing Ethypharm, 22 Ethypharm France for the work done and for</p>	<p>Page 43</p> <p>1 which later became Bentley?</p> <p>2 A There is no reference to the U.S. 3 corporation.</p> <p>4 MR. STEWART: Thank you. Let's turn to a 5 fax dated March 15, 1995 from Mr. Javier Santos. 6 This will be fax cover sheet and following document, 7 Exhibit 9.</p> <p>8 (Debregeas Exhibit 9 identified.)</p> <p>9 (Witness reviewed the document.)</p> <p>10 BY MR. STEWART:</p> <p>11 Q Mr. Debregeas, are you familiar with the 12 two documents that are attached to the fax from Mr. 13 Javier Santos?</p> <p>14 A That reminds me of something, and that 15 reminds me that this is a new period in the 16 relationship between Belmac Bentley, Belmac 17 Laboratorios, Ethypharm S.A., Ethypharm Spain. 18 Probably the time when Mr. Perez De Ayala had left 19 the group and at the time when I had -- I've had -- 20 I don't know. It's one year, more or less, the 21 first contact with Jim Murphy.</p> <p>22 And I told you before, I was extremely</p>

12 (Pages 42 to 45)

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<p style="text-align: right;">Page 46</p> <p>1 happy to have somebody in front of me who was the 2 real boss of the group, who was based in the U.S., 3 representing the corporation. Although I think it 4 was a very small corporation at that time, but size 5 means -- doesn't mean always power. And this way we 6 were, I would say, equally competent to treat and 7 solve the problems.</p> <p>8 Mr. Jim Murphy was a PhD, was business 9 education. Well, I'm not going to tell you same as 10 I did. Myself, undergrad was in pharmacy. I have 11 an MS in pharmacy from the University of Paris. I 12 got an MBA from the Walton School, University of 13 Pennsylvania. Mr. Murphy is an experienced 14 scientist and businessman, so I must say that I was 15 very happy to see him arriving and we had frequent 16 contacts.</p> <p>17 Q Is it fair to say that you were glad to be 18 dealing with him rather than with Dr. Ayala?</p> <p>19 A Rather than Mr. Perez De Ayala, yes, of 20 course.</p> <p>21 Q And is it fair to say that in general, you 22 would prefer to deal with Mr. Murphy, than, for</p>	<p style="text-align: right;">Page 48</p> <p>1 of a CA 4 and technical director in front of 2 technical directors. 3 And this way, things will go smoothly, 4 keeping in mind that too, Ethypharm as well as 5 Belmac Corporation, are, in fact, small 6 corporations, even if Ethypharm was bigger than 7 Belmac. It's not Eli Lilly, it's not Pfizer, it's 8 not Glaxo. So we have small organizations, so it 9 has to be extremely efficient, otherwise it doesn't 10 survive.</p> <p>11 Q Who was Javier Santos?</p> <p>12 A I think one of the lawyers working for 13 Cremades e Asociados, Abogados. That means lawyer 14 in Madrid.</p> <p>15 Q And can we agree that there were, attached 16 to Mr. Santos's fax, I guess it was a fax, is a 17 memorandum of understanding and a manufacturing 18 agreement?</p> <p>19 A Yes. I did not read it here. I think 20 I've seen it in the past, but I did not have time 21 here, today to, in this room, to read it. But it's 22 what it says.</p>
<p style="text-align: right;">Page 47</p> <p>1 example, Mr. Azpeitia?</p> <p>2 A Well, I said we were both, Mr. Murphy and 3 myself, in charge of taking decisions in charge of 4 influencing strategy, in charge of putting the 5 strategy in operation. The other gentleman were 6 working at their level.</p> <p>7 Q And so is it fair to say that you 8 preferred dealing with Mr. Murphy than Mr. Azpeitia?</p> <p>9 A In fact, I had no choice. Mr. Murphy was 10 my -- how do you say that in English? Mr. Murphy 11 was my equal.</p> <p>12 Q And you did not consider Mr. Azpeitia to 13 be your equal; is that right?</p> <p>14 A We are not talking about clubs. We are 15 talking about business organization.</p> <p>16 Q I understand.</p> <p>17 A I had somebody I could talk to, I could 18 rely upon. I knew that he was in power to take the 19 decision. He was representing the board of 20 directors of the U.S. corporation, owner of the 21 group. I was the same, and the other people, let's 22 say, had people equivalent. You put a CA 4 in front</p>	<p style="text-align: right;">Page 49</p> <p>1 Q All right. Well, I'm going to ask you a 2 couple of questions regarding the document, not with 3 regard to specific terms except in the -- except in 4 the first preamble. If you need time to look at it, 5 just let me know.</p> <p>6 First question is, did you have 7 discussions with Mr. Murphy with respect to those 8 two documents?</p> <p>9 A Of course.</p> <p>10 Q And were those discussions in person or by 11 telephone?</p> <p>12 A Probably both. Mr. Murphy was based in 13 the U.S., and I was based in France. We met 14 sometimes in France. We met in Spain too.</p> <p>15 Q Did you ever meet in the U.S.?</p> <p>16 A I think I met him in the U.S., but I don't 17 think I went to Tampa, Florida.</p> <p>18 Q Where in the U.S. did you meet him?</p> <p>19 A I usually went to the east coast, so that 20 means Boston, New York, Philadelphia, Washington.</p> <p>21 Q Do you have a specific memory of meeting 22 Mr. Murphy in the United States?</p>

13 (Pages 46 to 49)

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<p style="text-align: right;">Page 50</p> <p>1 A I met him in the U.S. for sure. How many 2 times, I don't know. Where or where was it I don't 3 know, but I met him in the U.S.</p> <p>4 Q And the -- if you would, refer to the 5 memorandum of understanding, please. And under a -- 6 the first line on that memorandum of understanding, 7 and it has -- it's -- the page number on the right 8 bottom is EP 009083. Do you see that? You're 9 shaking your head. Yes? You need to say yes or no.</p> <p>10 A Oh, I see. Sorry, yes, yes, I see that. 11 Sorry.</p> <p>12 Q And the parties to the -- who were the 13 parties to the agreement, to the draft, that is, 14 this draft agreement under the memorandum of 15 understanding?</p> <p>16 A According to me, we have Laboratorios 17 Belmac and we have Belmac Corporation. We have 18 Ethypharm S.A. Spain and we have Ethypharm S.A. 19 France.</p> <p>20 Q Let me read to you the first paragraph. 21 Mr. James R. Murphy, on behalf and in representation 22 of Laboratorios Belmac S.A., herein after referred</p>	<p style="text-align: right;">Page 52</p> <p>1 him as executive director of Belmac. That means 2 that he is president and CEO of Belmac Corporation. 3 And I think it's perfectly balanced in the 4 sense that I'm at S.A. Spain and I'm at S.A. France. 5 So we are both with two hats. That means that we 6 are both responsible people in charge of our 7 respective group. I may be wrong in my 8 interpretation, but that's how I interpret it.</p> <p>9 Q That's how you interpret it?</p> <p>10 A Absolutely.</p> <p>11 Q Was this document ever signed, to your 12 knowledge?</p> <p>13 A I assume that if it had been signed, we 14 would have it and he would have showed me the signed 15 parts.</p> <p>16 Q You are correct.</p> <p>17 A But the spirit is here.</p> <p>18 Q I'm sorry?</p> <p>19 A The spirit is here, l'esprit le concept de 20 la.</p> <p>21 Q To your knowledge, was this document ever 22 signed?</p>
<p style="text-align: right;">Page 51</p> <p>1 to as Belmac.</p> <p>2 Let me stop you there. Do you need the 3 translator to translate that for you?</p> <p>4 A No.</p> <p>5 Q I'll continue. "With corporate domicile 6 at Paseo de la Castalana, 14928046 Madrid; he uses 7 the faculties and powers granted to him as executive 8 director of Belmac."</p> <p>9 Have I read that correctly?</p> <p>10 A Yes, sir.</p> <p>11 Q Where does it say Belmac Corporation or 12 Belmac or U.S. Belmac corporation USA?</p> <p>13 A Simple for me. Laboratorios Belmac, was 14 he the president of Laboratorios Belmac?</p> <p>15 Q Is that your understanding?</p> <p>16 A No, no, I'm asking the question. Maybe I 17 should not be asking the question. You are the one 18 asking the question.</p> <p>19 For me, there are really two entities, 20 James Murphy representing Laboratorios Belmac is, at 21 that time, the president of Laboratorios Belmac. He 22 has full power, the faculties and powers granted to</p>	<p style="text-align: right;">Page 53</p> <p>1 A I'm unable to tell you.</p> <p>2 Q Let's go back to the language, just so 3 that we're clear on this. On the second paragraph 4 where your name is mentioned --</p> <p>5 MR. BOSTWICK: Before we go on, I'm sorry. 6 I think he said something in French that never got 7 translated. I think he said l'esprit le concept de 8 la. Is that --</p> <p>9 THE INTERPRETER: The spirit and the 10 concept is here, as exists in this document.</p> <p>11 MR. BOSTWICK: You went on right directly 12 with the question without giving it an opportunity.</p> <p>13 MR. STEWART: I think it's because I 14 understood it.</p> <p>15 (Laughter.)</p> <p>16 MR. BOSTWICK: Exactly. There are a few 17 things that we both understand in French.</p> <p>18 MR. STEWART: Sorry.</p> <p>19 (Discussion off the record.)</p> <p>20 BY MR. STEWART:</p> <p>21 Q Hopefully briefly, turn to the second 22 paragraph under the phrase gather together where it</p>

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<p style="text-align: right;">Page 54</p> <p>1 says Mr. Patrice Debregesas. And it continues, "on 2 behalf and in representation of Ethypharm S.A. 3 (hereinafter referred to as 'Ethypharm')."</p> <p>4 Do you need the translator to translate 5 that, sir?</p> <p>6 A No, no. No, no. Sorry.</p> <p>7 Q "With corporate domicile at Marques de la 8 Encinada 1628004 Madrid."</p> <p>9 And my question to you with -- stopping 10 there, do you understand the phrase up to this point 11 to be referring to Ethypharm Spain?</p> <p>12 A Of course.</p> <p>13 Q And then it continues, "And in 14 representation of Ethypharm S.A., hereinafter 15 referred to as Ethypharm France, with corporate 16 domicile at 21 Rousan Matu Houdan, 78550 France."</p> <p>17 You understand that phrase to mean 18 Ethypharm France; correct?</p> <p>19 A Yes, sir.</p> <p>20 Q And would you agree with me, sir, that 21 there is no equivalent phrase identifying Belmac 22 Corporation of Tampa, Florida?</p>	<p style="text-align: right;">Page 56</p> <p>1 insufficient. I fully agree with you, but we are 2 not talking about a final document.</p> <p>3 If we were talking about a signed 4 document, I would see your point.</p> <p>5 Q All right, but it is insufficient because 6 it does not specifically, in your view, identify 7 Belmac Corporation of the U.S.; is that right?</p> <p>8 A For me it does.</p> <p>9 Q For you it does?</p> <p>10 A For me it does. But not of the same 11 precision as it does for me.</p> <p>12 Q As it does for Ethypharm?</p> <p>13 A For me it's more precise for Ethypharm 14 than it is for Belmac. I agree with you.</p> <p>15 Q We'll let it go at that. Let me turn, 16 then, to a fax cover sheet from Jim Murphy to you 17 dated 13 July 1995. (Debregeas Exhibit 10 identified.)</p> <p>19 BY MR. STEWART:</p> <p>20 Q Before we look at Exhibit 10, I have just 21 a few questions. In the July 1995 time frame, you 22 understood that Jim Murphy was both the CEO of</p>
<p style="text-align: right;">Page 55</p> <p>1 A May I ask you who paid the fees of the 2 lawyer? I assume it's Ethypharm that paid the fees 3 of the lawyer. I assume that the lawyer was working 4 for Ethypharm.</p> <p>5 That's why he was having all the proper 6 information and addresses of Ethypharm and group and 7 subsidiary and that he was not having the total 8 information concerning Belmac, and this document is 9 not a final document so it has to be reviewed by us 10 or reviewed by the responsible person of Belmac. 11 And then the final document would have to be signed.</p> <p>12 So I think that we are here in what we 13 call a draft.</p> <p>14 Q There's no question we're in a draft, but 15 you would agree with me that there's no specific 16 reference to Belmac Corporation of the U.S. in that 17 first paragraph?</p> <p>18 A I won't agree with you. I see what I see 19 here. This is a draft. It's an alternative 20 document. I agree with all the references 21 concerning Patrice Debregesas, Ethypharm S.A. France, 22 Ethypharm S.A. Spain. This concerning Belmac is</p>	<p style="text-align: right;">Page 57</p> <p>1 Belmac Corporation that later became Bentley and 2 that he was the CEO president of Belmac, 3 Laboratorios Belmac?</p> <p>4 MR. BOSTWICK: Object. That didn't sound 5 like a question. That was a statement.</p> <p>6 BY MR. STEWART:</p> <p>7 Q Well, the question was, did you understand 8 that to be the case?</p> <p>9 A For me it was extremely clear that Jim 10 Murphy was president, chairman CEO of Belmac 11 Corporation in the U.S. and the mother company 12 that -- the company. Debregesas is a subsidiary in 13 Spain, but on one side you have a corporate entity 14 in the U.S. with maybe four or five employees, first 15 of all a director. You have in Spain 100 people. 16 Yet in Spain, he was the boss of the group, and I 17 explained to him I was the boss of the group, too.</p> <p>18 So part of the force of Belmac was in 19 Spain, but Belmac is a U.S. company. It's really 20 one entity, and same for me.</p> <p>21 Q Let's focus for a moment on titles.</p> <p>22 A Yes.</p>

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<p style="text-align: right;">Page 58</p> <p>1 Q Did you understand that Jim Murphy had the 2 title of executive director of Laboratorios Belmac?</p> <p>3 A According to me in Spain, executive 4 director was Murphy. I think that he was the 5 president of Spain. That means that he has the 6 power in Spain.</p> <p>7 Q Did you -- let's leave it at that. That 8 you understood Jim Murphy to have the power of the 9 president of Laboratorios Belmac?</p> <p>10 A And he had this power granted by the board 11 of directors in USA, authorizing that in USA, he is 12 the CEO of the group, yeah.</p> <p>13 Q And you understood, then, that he was the 14 chairman and CEO of Belmac Corporation, which later 15 became Bentley; correct?</p> <p>16 A Yes.</p> <p>17 Q Did Jim Murphy ever tell you that Belmac, 18 Laboratorios Belmac had the authority to bind Belmac 19 Corporation, which later became Bentley, to an 20 agreement?</p> <p>21 A For me, the chain of power is different. 22 It's not like from Spain to USA. It's coming from</p>	<p style="text-align: right;">Page 60</p> <p>1 A I don't imagine that this could happen. 2 For me the power, the center of power is -- decision 3 is USA and Spain is -- I'm not going to say obeying, 4 but is putting in operation the decisions of USA. 5 For me it's perfectly clear.</p> <p>6 Q Take a look at Exhibit 10. And I'm going 7 to direct your attention to the agreement that is 8 attached to the fax cover sheet. And I'll represent 9 to you that, to my understanding, this is a draft -- 10 this is another draft of an agreement between two 11 parties. I don't believe this was ever signed.</p> <p>12 MR. BOSTWICK: And I'm going to object to 13 the reference to two parties.</p> <p>14 BY MR. STEWART:</p> <p>15 Q Did you ever see this -- do you recall 16 seeing this document back in 1995?</p> <p>17 A My initials are here on the fax.</p> <p>18 Q I should have asked you that. What is the 19 writing there that follows?</p> <p>20 A "We are back to some initial 21 misunderstanding. We will have to rediscuss."</p> <p>22 Q Let's take a look at the agreement and</p>
<p style="text-align: right;">Page 59</p> <p>1 USA to Spain.</p> <p>2 Q But --</p> <p>3 MR. BOSTWICK: I've been asked to make a 4 reference on the record. Mr. Grace has just entered 5 the room, and he is an attorney also for the 6 Plaintiffs. Pardon me.</p> <p>7 MR. STEWART: May I have the witness's 8 answer back, please?</p> <p>9 (The reporter read the record as 10 requested.)</p> <p>11 BY MR. STEWART:</p> <p>12 Q Does that mean that, in your judgment, in 13 your belief, that Belmac, Laboratorios Belmac the 14 entity, did not have the authority to act for Belmac 15 Corporation, the U.S. corporation?</p> <p>16 MR. BOSTWICK: Objection; vague.</p> <p>17 THE WITNESS: Let me try to understand 18 your question more clearly. Spain could sign an 19 agreement without the okay from USA but binding USA. 20 Is that your question?</p> <p>21 BY MR. STEWART:</p> <p>22 Q That's my question.</p>	<p style="text-align: right;">Page 61</p> <p>1 see -- the draft of the agreement and see if we can 2 understand what those misunderstandings are.</p> <p>3 First, let me direct your attention to the 4 first page, which is -- has the number EP 009009.</p> <p>5 All right?</p> <p>6 A Uh-huh.</p> <p>7 Q And you see that it says, "Ethypharm S.A. 8 with corporate domicile at Marques de la Encinada, 9 1628004 Madrid, Spain, hereinafter called Ethypharm, 10 represented by its president, Mr. Debregeas."</p> <p>11 Have I read that correctly?</p> <p>12 A Yes.</p> <p>13 Q And can we agree that this is referring to 14 Ethypharm Spain; is that right?</p> <p>15 A Yes.</p> <p>16 Q And then at the bottom of the page it says 17 "Laboratorios Belmac S.A. with corporate domicile, 18 at" -- it looks like -- "Monterigone 9-1," and some 19 other numbers, "Madrid, Spain."</p> <p>20 Can we agree that that is referring to 21 Laboratorios Belmac, not Belmac Corporation?</p> <p>22 A Yes. And can we agree that, once more,</p>

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<p style="text-align: right;">Page 62</p> <p>1 this is a document which is not a final document 2 which is not signed, so we addressed on drafts the 3 discussion materials? I think it's a very important 4 point that there are so many of these drafts and 5 discussion materials.</p> <p>6 Q You certainly can. Let's go back to your 7 comment. We are back to --</p> <p>8 A Slow down just one second, please. I'm 9 unplugged. It's good that it's not a cardiac 10 monitor or I would be dead.</p> <p>11 (Laughter.)</p> <p>12 Q Can we continue?</p> <p>13 A Yes, sir.</p> <p>14 Q I believe that you translated your writing 15 on the first page of Exhibit 10 to include the 16 phrase, in substance, "We are back to initial 17 misunderstandings." And what was the rest of it?</p> <p>18 A "We will have to rediscuss."</p> <p>19 Q Looking at this draft that Mr. Murphy 20 returned to you, what -- can you tell me what those 21 misunderstandings were?</p> <p>22 A There's always been a complex relationship</p>	<p style="text-align: right;">Page 64</p> <p>1 there are certain things that were not in dispute, 2 ownership of technology, quality of training being 3 two that I wrote down.</p> <p>4 But I was asking you, what were the 5 misunderstandings that you were referring to in your 6 note on the first page?</p> <p>7 A There are 14 clauses, 15, 16, 17. 8 Apparently some of them have been written off. Once 9 more, we are on the working document, on a draft. 10 We could go and look at everything, but I am not so 11 sure that it's really worth it. I think we could 12 look at the final document to see what was the 13 agreement finally and the final document takes about 14 10 years to be completed.</p> <p>15 Q Well, you're right, I don't want to go 16 through all of these differences. Can you tell me 17 whether there were any major disagreements in 18 concept with respect to the relationship between 19 Ethypharm and Laboratorios Belmac, or as I take it, 20 you would say Laboratorios Belmac and Belmac 21 Corporation?</p> <p>22 A Well, during this several number of years,</p>
<p style="text-align: right;">Page 63</p> <p>1 on one side, and very simple one on the other side 2 in the sense that, for a long period of time, the 3 validity of our know-how was not put in question. 4 The other shape of our know-how, the quality of 5 training, the -- all the documents, everything, 6 business was good. So everything was okay until a 7 certain time.</p> <p>8 But, you know, Europe is an old continent. 9 We have about 15 or 18 different languages, 15 or 18 10 different cultures, so it's always complex. See, 11 for example, clause 1, object.</p> <p>12 Q Which page is that?</p> <p>13 A 9010. I see that because we've got 14 Ethypharm, and I see it's corrected. It's written 15 Belmac. So that means it's really a working 16 document.</p> <p>17 Q Sure.</p> <p>18 A This is not my handwriting.</p> <p>19 Q Do you know whose handwriting it is?</p> <p>20 A No, no, not at all.</p> <p>21 Q With respect to the answer you gave a 22 moment ago, you mentioned that there were -- that</p>	<p style="text-align: right;">Page 65</p> <p>1 there were no misunderstandings, just business as 2 usual, so one day one said I would like these, the 3 other one said no, not now. We will get it later, 4 but nothing.</p> <p>5 I would say that we had, later on, some 6 disagreements. We were quite unhappy. And I must 7 say that each time Jim Murphy did what he could to 8 solve the problem up to a certain time.</p> <p>9 Q All right. Well, before we leave this 10 document, can we agree that this -- that the subject 11 of this draft agreement involved the manufacture of 12 Ethypharm pharmaceutical products by Laboratorios 13 Belmac in Spain?</p> <p>14 A Yes.</p> <p>15 Q And can we agree that there does not 16 appear, on the draft of this agreement, any 17 reference to Belmac Corporation, the U.S. Belmac 18 corporation?</p> <p>19 MR. BOSTWICK: I'm going to object. The 20 document speaks for itself, and I don't think you've 21 had him go through each line, nor do I think that 22 you want him to. But that's your preference or</p>

17 (Pages 62 to 65)